

Board of Commissioners
Chair Ed Wolfe
Vice Chair Rob Putaansuu
Becky Erickson
Charlotte Garrido
Robert Gelder
Danielle Murphy
Val Tollefson
Executive Director
Stuart Grogan



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**HOUSING KITSAP BOARD OF COMMISSIONERS
WORK STUDY
JANUARY 17, 2017
MINUTES**

Board in Attendance: Kitsap County Commissioner Ed Wolfe(Chair), Mayor of City of Port Orchard Rob Putaansuu (Vice Chair), Mayor of City of Poulsbo Becky Erickson, Kitsap County Commissioner Charlotte Garrido, Kitsap County Commissioner Rob Gelder, Resident Commissioner Danielle Murphy, City of Bainbridge Island Council Member Val Tollefson.

Attending Staff: Chief Financial Officer Wendy Dutenhoeffer, Project Manager of Affordable Housing Development Mike Brown, Self-Help Program Director Dean Nail, Administrative Support Assistant Tara Owensby, Director of Real Estate Management and Housing Programs Holly Paterson Assistant Director of Finance Kim Seibold.

Absent: Executive Director Stuart Grogan

1. Call to Order:

Chair Wolfe called the meeting to order at approximately 11:00 a.m.

2. Review of the proposed agenda:

Commissioners Putaansuu announced that the Kitsap Transit meeting will start earlier than scheduled and requested that future Housing Kitsap (HK) work study sessions start a half an hour earlier at 11:00 am and the meeting move to the 3rd floor of the Harborside Conference Center.

3. Review and comment on the minutes from the December meeting:

The December Work Study session meeting minutes were approved by consensus.

4. Board questions and discussion regarding the Program Updates:

Dean reported that due to various reasons there have been several miscommunications regarding the cost to complete the One Maple plat. Dean said that SHOP funds will be used to pay for the additional overages. The Commissioners mentioned they hope for no more surprises; Dean replied that unfortunately, every day is a mystery that new things are discovered daily. Mike reported that it has been very difficult to work with the Department of Community Development (DCD) at the County, and said if the communication was better it would be more helpful for Housing Kitsap (HK) and could potentially prevent unexpected delays. Commissioner Garrido suggested that HK, DCD, and the Kitsap County Commissioners have a sit down meeting immediately to discuss a solution for current issues. The Commissioners requested that HK provide the Board with a report that shows detailed project-to-date costs from Community Frameworks as well as a detailed analysis, an estimation of remaining costs and a new projected completion date.

Staff advised the Board that they will be asked to consider approving a purchase and sale agreement with Community Frameworks for the finished lots at One Maple Drive at the Board meeting on 2/3/17.

5. Review and discussion of a resident issue at the Rhododendron Apartments:

Holly reported that the live-in care aid contract was cancelled. HK has three options to move forward. Option 1: Terminate household as of the end of February, it would be open to a hearing process and likely will end up in court. Option 2: Wait, continue to give non-compliance notices and wait for lease to end its term and most likely will end up in court but would take a little longer. Option 3: Partial eviction, HK's attorney does not have prior experience with this. Holly reported that HK's attorney advised HK to continue with option 1. The Commissioners acknowledged and understood the attorney's advice.

6. Next steps with the office relocation

Wendy reported that the City of Bremerton (CoB) hopes for an answer from HK soon. After brief discussion, the Board recommended staff to prepare a resolution to present to the Board at the 2/3/17 Board meeting for Housing Kitsap to formally move forward with a purchase and sale agreement with the City of Bremerton.

It was discussed that if the if the resolution is approved, HK will work with legal counsel and the Board to outline items for the agreement, including, but not limited to, sale time-line, HK exit strategy, County Loan Agreement (CLA) modification, and an exit clause if HK is unable to find suitable office space. After a purchase and sale agreement is executed fully by both parties, Housing Kitsap will prepare an updated list of possible relocation sites. The list will be presented to the Board in a chart format for easy comparison. Concurrently continue work on the CLA modification.

7. Next steps with remnant parcels near the Harborside Apartments

The Board recommended that staff contact a qualified real estate broker requesting they research to see if the parcels are developable and find out what the current market value of each parcel is. The Board suggested that this information is important to know before HK can move forward with a decision.

8. Adjournment:

The Board of Commissioners Work Study meeting was adjourned at approximately 12:40 PM.

ATTEST:

ATTEST:



STUART GROGAN

Executive Director



TARA OWENSBY

Administrative Support Assistant

2.21.17

Date Approved